



# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

900 SOUTH FREMONT AVENUE  
ALHAMBRA, CALIFORNIA 91803-1331  
Telephone: (626) 458-5100  
<http://dpw.lacounty.gov>

**GAIL FARBER, Director**

ADDRESS ALL CORRESPONDENCE TO:  
P.O. BOX 1460  
ALHAMBRA, CALIFORNIA 91802-1460

March 15, 2011

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

# ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

36 March 15, 2011

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

**SUSPENSION OF THE PHASED WATER CONSERVATION PLAN  
OF THE LOS ANGELES COUNTY WATERWORKS DISTRICT  
NO. 29, MALIBU, AND THE MARINA DEL REY WATER SYSTEM  
(SUPERVISORIAL DISTRICTS 3 AND 4)  
(3 VOTES)**

### **SUBJECT**

Suspension of the Phased Water Conservation Plan at the level of a Phase II Shortage in Los Angeles County Waterworks District No. 29, Malibu, and the Marina del Rey Water System.

**IT IS RECOMMENDED THAT YOUR BOARD ACTING AS THE GOVERNING BODY OF THE LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 29, MALIBU, AND THE MARINA DEL REY WATER SYSTEM:**

Suspend implementation of the Phased Water Conservation Plan at the level of a Phase II Shortage in Los Angeles County Waterworks District No. 29, Malibu, and the Marina del Rey Water System.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the recommendation is to suspend implementation of the Phased Water Conservation Plan (Plan) at the level of a Phase II Shortage in Los Angeles County Waterworks District No. 29, Malibu (District) and the Marina del Rey Water System (Marina System). This action is necessary, as it was determined that the Plan's rate structure could not be timely and cost-effectively incorporated into the District's new billing system. The suspension will allow for the development of a new budget-based rate structure that will replace both the normal rate structure and the Plan's rate structure within the new billing system.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) and Community and Municipal Services (Goal 3) by promoting sound, prudent, transparent fiscal policies, and practices that help ensure maintenance of critical, high priority County public services and preserve the quality of life for County residents. The new Waterworks Districts billing system is a state-of-the-art system that will improve customer service by allowing customers to manage their accounts and pay their bills electronically at any time.

### **FISCAL IMPACT/FINANCING**

There will be no impact to the County General Fund.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On June 2, 2009, your Board of Supervisors (Board) implemented the Plan for the District and the Marina System in response to Governor Arnold Schwarzenegger's February 27, 2009, declaration of a state of emergency due to drought, and subsequent 15 percent drought reduction in water allocation by the Metropolitan Water District and the West Basin Municipal Water District (West Basin). Under the Plan, customers of the District and the Marina System who exceed a target water quantity pay a surcharge on the amount of water consumed above the target quantity.

On January 17, 2011, the Los Angeles County Waterworks Districts launched a new billing system for the five Waterworks Districts and the Marina System. We could not timely and cost-effectively incorporate the surcharges imposed by the Plan into the new billing system. As a result, we are requesting that your Board suspend the implementation of the Plan to allow for the development of a new budget-based rate structure that will replace both the normal rate structure and the Plan's rate structure within the new billing system.

In July 2011, we will be recommending to your Board the implementation of the new water-budget-based rates for the District and the Marina System to meet the requirements of Legislative Bill SBX7-7 of reducing water use by 10 percent by 2015 and 20 percent by 2020. The water-budget-based rates will include surcharges that can be put in place when/if the Board reimplements the Plan in the future. If Metropolitan Water District and West Basin have not lifted the mandatory 15 percent drought reduction in water allocation for the District and the Marina System by July 2011, we would also recommend to your Board to reinstate the Plan's surcharge.

The District and the Marina System's water allotment has not been exceeded since the implementation of the Plan, and customers have demonstrated excellent ability to conserve water. We do not anticipate that the District and the Marina System will exceed their allotments as a result of the suspension of the Plan until July 2011.

### **ENVIRONMENTAL DOCUMENTATION**

The proposed action is an administrative activity that will not cause a physical change in the environment. In accordance with Section 15378(b)(5) of the California Environmental Quality Act (CEQA) Guidelines and Section 307 b.(3) of the Environmental Reporting Procedures and Guidelines, adopted by your Board on November 17, 1987, this action does not constitute a project and is not subject to the requirements of CEQA.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

This action will suspend the implementation of the Plan. Customers of the District and the Marina System who use more water than they should under the Plan will no longer pay the surcharges, and customers who continue to conserve water will not be impacted. Based on the amount of water the District has purchased from the West Basin, to date, we do not expect to exceed the water allocation for the District, set by West Basin for Fiscal Year 2010-11. Therefore, we do not expect the District to be assessed surcharges by West Basin for exceeding the water allocation that would have been covered by surcharges, paid by customers of the District and the Marina System.

**CONCLUSION**

Please return two adopted copies of this letter to the Department of Public Works, Waterworks Division.

Respectfully submitted,

A handwritten signature in cursive script that reads "Gail Farber".

GAIL FARBER  
Director

GF:AA:ea

c: Chief Executive Office (Rita Robinson)  
County Counsel  
Executive Office